

# HOUSING MANAGEMENT BULLETIN

## Editorial Office

ROOM 1208 470 FOURTH AVENUE  
NEW YORK, N. Y.

JOINT REFERENCE  
LIBRARY

## Editors

BEATRICE GREENFIELD ROSAHN  
ABRAHAM GOLDFELD

NATIONAL ASSOCIATION OF HOUSING OFFICIALS • 1313 EAST SIXTIETH STREET, CHICAGO

Vol. 2, No. 1

FEB 1 1939

January 17, 1939

## NET INCOME DEFINED

At a public meeting of the Committee on Housing Management, Citizens' Housing Council of New York held last spring (see BULLETIN, June, 1938) and on several other occasions, the question has been raised as to what constitutes the "net income" of families applying for residence in public housing projects. Richard F. Voell, Acting Director of Management Review, USHA, states "the following interpretation of net income which I have given is a tentative one and subject to modification when we have more actual experience in using the definition. (The Editors would appreciate comments from others.)"

"The experience in management of projects under the United States Housing Act has been confined to the Federal projects of this Authority. Because of this limited experience we are reluctant to issue specific rules and regulations for the interpretation of Section 2 (1) of the Act, until the local Authorities have had more experience in applying the provisions of this section to specific cases.

"However, in determining "the net income of the family and minor dependents" we have suggested to local Authorities that they be guided by a list of tentative instructions. (See below.)

"In establishing the tentative instructions careful consideration was given to the question of incomes of working children. We have not allowed part of the earnings of such children to be deducted from gross income to determine net income for the following reasons:

1. The Act refers to families' net income and we see no justification for making any distinction as to the source of the income.

2. A study of the Manual of Policies Relating to Eligibility for Relief in New York City indicates the part of the earnings retained by the working child are to be used by the child for lunches, carfare, clothing and personal expenses and no allowance is made in the family relief budget for such expenses.

3. A study of the same manual indicates that the earnings to be retained by the working child are determined within a sliding scale and only after individual case study and are not based on any arbitrary fixed percentage as are the maximum income provisions of the Act."

### TENTATIVE INSTRUCTIONS FOR INTERPRETATION OF SECTION 2 (1) OF THE UNITED STATES HOUSING ACT OF 1937.

"The net income of the family shall be the total gross receipts derived from every source by all persons who will live in the dwelling unit in the project, less any allowable deductions as defined below. Receipts shall include all salaries, wages, commissions, fees, profits from the operation of a business, pensions, alimony, gifts, interest and dividends from bank deposits and investments, and income from insurance policies, as well as the fair value of any form of compensation other than cash received in payment of services.

"Deductions from the gross receipts to determine the net income may be made in the amount of all payments toward:

1. The support of a person or persons (either legally entitled to support from a member of the family or morally entitled to support by virtue of relationship) dependent upon and receiving substantial support from



the family and who are not to live with the family in the project, provided, however, that the dependent is either under 21 years of age or incapable of self-support because of mental or physical deficiencies.

2. Alimony.

3. Business expenses incurred for which no reimbursement is made by the employer such as automobile or other traveling expenses of a salesman.

4. Interest on personal indebtedness.

5. Social security assessments or government retirement funds.

6. No deductions shall be made for voluntary payments to pension funds, for payments on bills and garnishments, for finance charges on installment purchases, for repayment of principal or for payments for insurance premiums.

"Families shall be eligible for acceptance as tenants whose net incomes are greater than five times the rent but not in excess of six times the rent only where three or more minor dependents are to live in the dwelling in the project. A 'minor dependent' is anyone under 21 years of age who is dependent upon the other members of the family in whole or in part for his support."

## BRITISH FACE NEW TENANT PROBLEM

A recent item in the New York Times points out that English local housing authorities are "baffled" by the reluctance of slum dwellers to move far out into the suburbs. The London County Council, faced with the problem of acquiring land in heavily congested areas, has concentrated on large housing estates for which vacant land in the suburbs has been available at comparatively low cost.

It is stated that transportation costs absorb a large part of the limited budgets of the poor as well as the more prosperous "black-coated" workers. Also, rents are somewhat higher than the new suburbanites had paid before.

Although these factors were taken into account when the housing authorities decided on the sites of these low-rent projects, the higher cost of food in the suburbs was apparently overlooked. It is found now that this additional expense is a heavy burden to the families living there.

"When," the report states, "in at least one housing estate outside a city in northern England, the death rate was found to be higher than in the slums the public



Table Manners Are Learned While Eating Mid-Morning Meal Of Crackers And Milk At A Pre-School Class In Hillcreek Homes, Philadelphia.

health officer expressed suspicion that the higher cost of living left insufficient money for necessary food.

"Also, many residents of the London County Council housing estates complain of the 'coldness' as contrasted with the neighborliness of life in the slums. In some estates there are annoying regulations as to when residents must be in; 'public houses' are hard to reach, and important details, such as parking sheds for the babies' prams, have been neglected.

"It is hardly surprising," adds the correspondent, "that many people have left the housing estates to return to the slums."

The above is presented as a little "food for thought" for those who are planning the locations and facilities of new public projects in the United States. While experience thus far has shown that the attitudes and reactions of American low-income families are by no means always identical with those of British families of like income status, surveys made in substandard areas of New York City several years ago indicated reluctance on the part of many families to leave their friends and the neighborhood to which they had become accustomed.

## RENT COLLECTIONS—TENANT TURNOVER

Several recent news items on these subjects are now on hand. Please advise the Editors of your local experience.



## NEWS NOTES

Tenants of Parklawn in Milwaukee, Wisconsin sponsored a campaign recently to get fifty residents to subscribe to a group health insurance plan so that a Parklawn unit could be established. Parklawn Community News in urging tenants to participate in the plan quotes the Technical Committee on Medical Care, National Health Conference, as follows:

"If medical care is to be made available to all families with small or modest incomes at costs they can afford, the costs must be spread among groups of people and over periods of time."

According to the "News," subscribers to this group health plan will have the privilege of receiving treatment at "a medical center which includes a fifty-bed hospital, and a staff of doctors, nurses and technicians trained in the finest universities. The hospital will be equipped with laboratory apparatus necessary for the treatment of all but the rarest ailments." The cost to the individual is \$36 per year.

A Home Economics Kitchen has been installed at the Lockefield Garden Apartments, Indianapolis, Indiana, where classes in food planning, cooking on electric ranges and dietetics are being conducted with the cooperation of the local power and light company. A demonstrator has been made available by the company who is ready to give helpful suggestions. The classes are open to all women in the developments, at no cost.

Both Detroit public housing projects are also offering cooking instruction to "instruct the tenants in the use and care of electric stoves, most of them never having used an electric stove before," and "to show them how to cook certain items and some economies in cooking." About 25 tenants attend each session.

The management of Brooklyn Garden Apartments, one of the limited-dividend developments under the New York State Board of Housing, has recently initiated a unique plan for bringing in desirable new tenants. This notice appeared in the Sun Dial, the project publication: "any tenant introducing a new tenant, either personally or by a note to the office, is entitled to one dollar a month beginning with the month the new tenant moves in and continuing for one year unless the new tenant moves out before

the year is up, in which case the dollar payments are discontinued. If the new tenant moves in in the middle of the month, the payment to the old tenant begins on the first of the following month."

At Knickerbocker Village in Manhattan, the management has recently ordered the installation of new iron steps with cement walks close to the present brick staircases in several units of this twelve-story development. This was done in order to facilitate getting baby carriages in and out of the units which have steep staircases. The new stairway has been designed with a low riser and a wide tread to permit both sets of wheels of a carriage to rest on each tread; it was not possible to install ramps as they would have been too steep for safety. Experiments were conducted on several different types before a group of Village mothers agreed on the staircase finally selected.

At University Terrace, Columbia, S. C. the management, in cooperation with the Junior Terrace Association, has initiated a monitor system similar to the type used in many schools. One boy and one girl serve as monitors each week. Their duties are to assist the management in protecting the project property, in preventing trampling of the grass and in caring for community recreational equipment. The monitors are expected to report to the management all willful violations. It is pointed out that "the monitors are in no sense 'spies' but are working for the welfare of University Terrace." Parents have been requested to ask their children to cooperate with the monitors, who are appointed each week by the president of the Junior Association and serve just that week.

### Lower Electric Rates for N. Y. C. Project

Last month the Public Service Commission of New York announced that it had voted to permit electric companies in New York City to extend the applicability of the rate for charitable institutions to include service to low-cost housing and slum clearance projects "operated by governmental agencies under Federal law, by corporations organized under the State Housing Law and by insurance companies operating under the State Insurance Law." The charitable institutions rate provides for a reduction in demand and energy charges, and its application to low-rent housing projects will result in their obtaining electricity at a rate appreciably lower than that paid by private housing enterprises.



## RELIEF TENANTS

The charge has commonly been made that families receiving public assistance are excluded from public housing projects. The policies and practice of many local housing authorities now operating projects seems to refute this charge. The Chicago Authority recently revealed that 190 of its tenants are on WPA and 41 are on relief. A recent report from Cambridge showed 50 tenants in New Towne Court receiving mothers' aid pensions.

The United States Housing Authority reports that in all but 14 of the 48 federal-public projects initiated by the PWA Housing Division there are families who were on direct relief or work relief at time of admission. There is reason to believe that in all such projects that have been operating for some time there are families receiving direct or work relief.

Emphasis in tenant selection is commonly placed upon the amount and probable steadiness of income rather than upon the specific source of income.

### Greendale Progress

Mr. Sherwood Reeder, community manager of Greendale, the Farm Security Administration's Greenbelt town near Milwaukee, reports the following progress in a letter dated December 16.

"Today, with the opening of the Greendale Post Office, we note another milestone in the brief existence of this community. Last week marked the election of the first village officials and the opening of another of our cooperatively operated commercial facilities - the barber shop.

"Thus, each week Greendale, now almost entirely occupied, becomes more nearly the complete model community it was planned to be. But I am most pleased to report that, above all else, Greendale is actually pro-

viding the opportunity for a fuller life to its residents, to which they are responding in a most gratifying way."

## SUGGESTED READINGS

MANAGEMENT TECHNIQUE SERIES, Real Estate Record, 119 West 40th Street, New York, May through November issues.

THE EFFECTS OF SLUM CLEARANCE AND REHOUSING ON FAMILY AND COMMUNITY RELATIONSHIPS IN MINNEAPOLIS, F. Stuart Chapin in American Journal of Sociology, University of Chicago Press, Chicago, March, 1938. p. 744.

LOW-RENT HOUSING HEAT WITH HOT WATER, Real Estate and Building Management Digest, 12 East 41st Street, New York, June, 1938. p. 11.

PROPERTY MANAGEMENT, Real Estate and Building Management Digest, 12 East 41st Street, New York, August, 1938. p. 22.

A SURVEY OF TENANT AND MANAGEMENT NEEDS, Real Estate Record, 119 West 40th Street, New York, September 3, 1938. p. 21.

MANAGEMENT PRACTICES IN FARM SECURITY ADMINISTRATION HOUSING DEVELOPMENTS, Major John O. Walker in Real Estate Record, 119 West 40th Street, New York, November 5, 1938. p. 21.

THE MAINTENANCE AND OPERATION PROCEDURE OF A TENEMENT DWELLING, Bertram J. Senie in Real Estate and Building Management Digest, 12 East 41st Street, New York, November, 1938. p. 7.

PATERNALISM IN PUBLIC HOUSING, Aubrey Malloch in Shelter, 34 Hubert Street, New York, November, 1938. p. 20.

EFFICIENT ORGANIZATION AS THE BASIS OF SUCCESSFUL REAL ESTATE MANAGEMENT, James C. Downs, Jr. in Real Estate Record, 119 West 40th Street, New York, December 3, 1938. p. 10.

REAL ESTATE MANAGEMENT, by H. Robert Mandel, Vice-President, Chelsea Management Corporation, published by Realty Institute, 103 Park Avenue, New York City, 1938. 98 pp. \$2.50. A well-planned, concise, discussion of practical building management. Combines fundamental principals with actual experience of the author, his contemporaries and predecessors.

REPORT AND RECOMMENDATIONS OF THE COMMITTEE ON HOUSING MANAGEMENT, Citizens' Housing Council of New York, 470 Fourth Avenue, June, 1938. 49 pp. mimeo. 25¢.

### DISTRIBUTION POLICY ON BULLETIN

The HOUSING MANAGEMENT BULLETIN is distributed to members of NAHO who have signified their desire to receive it for a trial period. Copies are available to non-members only by purchase of individual issues at 25¢ each. It is anticipated that the BULLETIN will become shortly the official organ of the Housing Management Division of NAHO, now being organized.